
Wholesale Electricity Market - Rule Change Proposal Form

Change requested by

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Organisation:	System Management
Address:	
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Urgency:	High
Change Proposal title:	Treatment of DSM in outage planning and PASA
Market Rule(s) affected:	Clauses 3.16, 3.17, 3.18 and 3.19

Details of the proposed Market Rule Change

1. Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

The outage planning (clauses 3.18 and 3.19) and PASA (clauses 3.16 and 3.17) provisions require System Management to take demand side management capacity into account. System Management considers that it is not practicable to adhere to these requirements, due to the level of uncertainty surrounding demand side management (**DSM**) (eg. limitations on frequency of its availability) and the inherent danger for system security of overstating system margins.

System Management considers that there should be some discretion in the inclusion of DSM when determining available capacity, and thus the requirement to take DSM into account should not be mandatory.

2. Explain the reason for the degree of urgency:

It is not always practicable to consider DSM in assessing system availability. System Management seeks the proposed rule change for sound system security reasons.

3. Provide any proposed specific changes to particular Rules:

- a. Revision to clause 3.18.11(aA) from:

The capacity of the total generation and Demand Side Management Facilities remaining in service must satisfy the Ready Reserve Standard described in clause 3.18.11A;

to

The total capacity of the generation Facilities remaining in service, which may at System Management's discretion include Demand Side Management, must satisfy the Ready Reserve Standard described in clause 3.18.11A;

- b. Revision to clause 3.19.6(a) from:

The capacity of the generation and Demand Side Management Facilities remaining in service must be greater than the load forecast for the relevant time period.

to

The capacity of the generation Facilities remaining in service, which may at System Management's discretion include Demand Side Management, must be greater than the load forecast for the relevant time period.

- c. Deletion of clause 3.16.9(c) and inclusion of new clause 3.16.9A as:

In submitting the information described in clause 3.16.9, System Management may, but is not required to, include forecast total available Demand Side Management capacity by week and by constrained region.

- d. Revision to clause 3.16.9(d)(iii) from:

The total available Demand Side Management capacity;

to

the total available Demand Side Management capacity, which may be included at System Management's discretion.

- e. Deletion of clause 3.17.9(c) and inclusion of new clause 3.17.9A as:

System Management may, but is not required to, include in the results of a Short Term PASA study which is provided to the IMO the forecast total available Demand Side Management capacity by six-hour period.

- f. Revision to clause 3.17.9(d)(iii) from:

The total available Demand Side Management capacity;

to

the total available Demand Side Management capacity, which may be included at System Management's discretion.

4. Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:

The proposed Rule changes would promote the economically efficient, safe and reliable production and supply of electricity in the SWIS.

Revising the mandatory obligation to take into account demand side management ensures that the actual practice of outage planning, which removes the inherent uncertainty of demand side management from the determination of available capacity, is reflected in the Market Rules, and thereby aids the safe and reliable supply of electricity.

5. Provide any identifiable costs and benefits of the change:

The proposed Rule Change will enable System Management to increase the rigour which will be applied to the assessment of system margins.

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